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## Addendum

## GLOBAL AND INTERREGIONAL PROGRAMMES AND OTHER MAJOR PROGRAMMES

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Summary

The year 1997 was characterized by change in the new Bureau for Policy Development (BDP), reorganized in line with Executive Board decision 97/15. The addition of the Office of Development Studies (ODS) brought greater strength in the areas of policies on development cooperation and advocacy for sustainable human development, which were added to, or emphasized in, the revised BDP mandate. Particular achievements during the transformation of BDP in 1997 include:

(a) Developing, in close consultation with the Executive Board, a strategy for narrowing the focus of UNDP work within the focus areas defined in decision 94/14, including guiding principles which the Board approved in decision 98/1 in January 1998;

(b) Defining a strategy for promoting rapid and extensive exchange of best practices and knowledge across regions and globally through the subregional resource facilities (SURF) concept. Document DP/1998/CRP.8 gives details of the implementation plan for the global hub/SURF system;

(c) Continuing to support the successor programming arrangements approved under decision 95/23: the Board approved country cooperation frameworks for 128 countries and the global cooperation framework.

Building on 1996 achievements and plans (DP/1997/16), BDP work was expanded in areas such as poverty eradication (in follow-up to the World Summit on Social Development), gender equality (in follow-up to the Beijing Platform of Action), environment (follow-up to the United Nations Conference on Environment and Development). Governance, in particular, emerged as an increasingly important area for UNDP support to country-level activities in all regions. UNDP continued its efforts to incorporate civil society organizations in decision-making processes for development at all levels - country, regional and global.

# I. INTRODUCTION

1. The Secretary-General's announcement of broad reform proposals in July 1997 set the stage for greater collaboration within the United Nations system in development cooperation. The Secretary-General's new draft action framework "Freedom from Poverty" has provided a clear and unifying mission that will allow the various members of the United Nations Development Group (UNDG) to come together and create the conditions for action that are mutually reinforcing and can yield outcomes and impact in a more effective manner.

2. In addition to playing its part in implementing the United Nations reform process, UNDP initiated its own reforms under the UNDP 2001 change management process, which the Board approved in its decision 97/15. UNDP is now reshaping itself by aligning its internal functions, processes, systems and structures with the sustainable human development (SHD) mandate.

3. The Bureau for Development Policy (BDP), formerly the Bureau for Policy and Programme Support, emerged from the UNDP 2001 change management process with a more focused mandate. Stressing policy leadership for SHD, the mandate calls for (a) building on existing country programmes to spearhead innovation and new strategies in development cooperation; (b) serving as the global hub in support of the evolution into a learning organization; and (c) pursuing SHD goals in global processes through providing guidance on the substance of UNDP global advocacy and through building partnerships and alliances within the international development community.

4. Following the adoption of UNDP 2001, the Division for Operational Policies and Procedures (DOPP) was transferred to the new Operations Support Group (OSG) while the Office of Development Studies (ODS) joined BDP to help to strengthen its leadership in policy development and advocacy. Closer linkages are also being forged with the Human Development Report Office (HDRO), including collaboration on technical support to national human development reports (see annex II for list of reports).

5. A milestone in the UNDP 2001 process was the consultation process with the Executive Board to focus corporate priorities within the SHD framework, a process led by BDP, culminating in the report of the Administrator on narrowing the focus (DP/1998/5). In its decision 98/1, the Board approved a set of principles that will guide UNDP in focusing programme activities and development interventions in areas where it can have optimal impact.

6. The main funding vehicle supporting BDP work is the global cooperation framework (GCF). Following preliminary authorization in January 1997, this framework was approved by the Executive Board in its decision 97/9. The GCF is basically consistent with the provisions of decision 98/1; full alignment of the four-year framework will be pursued in 1998. However, BDP will continue to provide technical backstopping services while the new global hub/subregional resource facility (SURF) system is being implemented and the development of core services proceeds. A full set of development services is expected to be available at the end of the first GCF period (2000). A list of global

cooperation framework activities and indicators is given in annex II to the present document.

7. The overall operational environment was extremely challenging in 1997. The change management process coincided with the review of advisory notes and country cooperation frameworks (CCFs) from the bulk of the countries where UNDP is involved. This translated into a heavy workload as the Bureau was deeply involved in providing advice and guidance throughout the year. In addition, innovative initiatives were launched, all against the backdrop of cuts in core posts and a reduction of the resources available.

## II. MAIN ACHIEVEMENTS IN 1997

8. It is the role of BDP to provide policy support to enable developing countries around the world to devise effective methods to eradicate poverty from within their societies.

### A. Poverty eradication

9. There was an expansion in 1997 of the activities of the Poverty Strategies Initiative (PSI), an initiative led by the Social Development and Poverty Elimination Division (SEPED) and launched in 1996 to support country implementation of the commitments in the World Summit for Social Development (WSSD) Programme of Action (see annex III). PSI projects in 98 programme countries provide upstream support in enhancing capacity for poverty analysis, policy review and the formulation of national poverty eradication strategies. The Initiative is financed by $12 million in UNDP core resources and $11 million in donor contributions to a trust fund established to support the achievement of WSSD anti-poverty objectives, including $1 million from the Government of Denmark, $2 million from the Government of the Netherlands and $8 million from the Government of Norway. Half of Norway's contribution supports country-level implementation of the 20/20 initiative through the promotion of universal access to basic social services. Additional donor resources are expected for the follow-up phase of the PSI, which will focus on capacity development for poverty reduction and on documentation, learning and the dissemination of best practices in anti-poverty policy and programming.

10. PSI programme resources support UNDP country offices in providing assistance to national partners in the undertaking of poverty surveys and assessments to supplement existing poverty data, to facilitate the development of country-specific poverty measurements, criteria and indicators to help to assess the impact of social policy and poverty programmes on vulnerable groups. In Yemen, PSI funding is supporting the establishment of a task force on poverty eradication and employment-generation to coordinate the formulation of a national action plan on poverty eradication. Participating actors include government agencies, civil society organizations (CSOs) and bilateral donors. In Botswana, Central African Republic, Djibouti and Guyana, PSI funds are assisting the development of national plans with explicit anti-poverty components.

11. The PSI has also fostered collaboration with other United Nations Development Group members and promoted complementarities among different programmes based on common country assessments. At the country level, UNDP is collaborating with the United Nations Children's Fund (UNICEF) in supporting social-sector expenditure reviews relating to 20/20 initiatives in more than 20 countries. It has also joined with the World Bank in PSI capacity-building and in the conduct of poverty assessments.

12. During two years of PSI operations, it has been found that countries that integrate PSI resources with other activities have generally achieved greater impact from the programme than have countries where the PSI was viewed as a stand-alone project. UNDP is thus encouraging the integration of PSI programme resources with other ongoing UNDP country and regional anti-poverty activities. A number of countries are committing additional CCF resources to PSI initiatives.

13. UNDP has actively promoted greater recognition of the multidimensional nature of poverty and of the need to integrate the political, social, cultural and environmental facets of human deprivation in efforts to combat poverty. Gender disparities in status, both within the household and within the broader society, are being actively addressed as socio-economic policy frameworks are developed. In all facets of SHD programme development, UNDP encourages integrative approaches that engage the Government, civil society and the private sector as vested stakeholders in comprehensive poverty-reduction strategies.

14. UNDP collaborative efforts with CSOs are fundamental to building country capacity for combating poverty. The aim is to promote SHD deeply within the fabric of citizens lives and provide sustainable alternatives for change. The CSO programme supports three immediate objectives: (a) to enhance civic participation in selected countries; (b) to generate new knowledge and strengthen CSOs competencies to promote SHD policies; and (c) to promote learning through the dissemination of SHD practices drawn from different contexts. A global roundtable, Building Partnerships for Sustainable Human Development: A Government, Civil Society, and Donor Roundtable, was held in Warsaw, Poland, in February 1997 to help to shape the analytical framework for UNDP cooperation with CSOs. In consultation with the Regional Bureaux and the Bureau for Resources and External Relations (BREA), SEPED assisted in the preparation of the information disclosure policy and the guidelines for NGO execution.

15. Building on the creativity and resourcefulness of the poor is central to UNDP promotion of sustainable livelihoods strategies. In 1997, SEPED further developed the Sustainable Livelihoods programme to promote poverty eradication through an enhancement of access to productive resources. Taking the adaptive strategies of the poor as the entry point, the sustainable livelihoods programme analyses policies that reinforce or disrupt these strategies and recommends appropriate policy changes, investments and technology inputs to reinforce and build on existing coping and adaptive strategies. The gender and environmental dimensions, particularly poor women's access to land, water, sources of energy and credit, are fundamental to these strategies. SEPED supported a sustainable livelihoods pilot programme integrating food security, entrepreneurship and natural resources management in Malawi in collaboration with the Food and

Agriculture Organization of the United Nations (FAO). Another pilot programme developed in collaboration with the Management Development and Governance Division (MDGD) will design an approach to urban livelihoods security in Cairo. An international working group of scholars, researchers and practitioners, formed as a resource network for knowledge development, met for the first time in November 1997.

16. SEPED was instrumental in preparing the UNDP contribution to the Secretary-General's "Freedom from Poverty" draft framework, which is to be submitted to the Administrative Committee on Coordination (ACC) during its first regular session of 1998. It also helped to prepare a core set of SHD indicators within the context of the United Nations Development Assistance Framework (UNDAF) common country assessments. These indicators are currently being pilot-tested under UNDAF in 19 countries. Document DP/1998/17 provides details of the role of UNDP in the UNDAF exercise. Collaborative research with the World Bank and UNICEF on dovetailing quantitative and qualitative approaches to poverty monitoring was also undertaken in 1997.

17. As a participant in the Joint United Nations Programme on HIV/AIDS (UNAIDS), UNDP is leading efforts to address the socio-economic implications of the HIV/AIDS epidemic. In 1997, the HIV and Development Programme (HDP) collaborated with the Regional Bureaux on regional projects on HIV/AIDS and development in Africa, Arab States, Asia and the Pacific, and in Eastern Europe and the Commonwealth of Independent States and provided support to country offices to help to integrate socio-economic dimensions of the HIV/AIDS epidemic in poverty alleviation projects. Country-specific activities included aiding the production of the 1997 Namibia National Human Development Report, which focused on the implications of the epidemic for SHD and providing technical cooperation to aid country office support of national strategic planning in relation to the epidemic in Botswana, Malawi and Nepal. In collaboration with GIDP, HDP initiated the development of a training module designed to highlight the relationship between gender, poverty and development and the epidemic. HDP also promoted greater understanding of the relationship between governance and HIV/AIDS, an issue that was addressed in a special symposium at the 1997 Manila Conference on HIV/AIDS in Asia and the Pacific. A symposium on HIV, development and the role of local governance was organized in Abidjan during the Tenth International Conference on HIV/AIDS in Africa. One outcome of this effort was the creation of the HIV/AIDS Alliance of Mayors and Municipal Leaders in Africa.

## B. Gender equality and the advancement of women

18. In 1997, the Gender-in-Development Programme (GIDP) supported country offices in the development of 35 national plans for Fourth World Conference on Women follow-up and, in association with the United Nations Development Fund for Women (UNIFEM), engaged 20 United Nations Volunteers gender advisors to be placed in country offices and support resident coordinators. Cross-thematic programming and collaboration has been strengthened as a result of the minimum of 20 per cent of global and regional programme resources now committed to gender main-streaming. GIDP distributed the "Guidance Note on Gender Mainstreaming" to guide UNDP staff in implementing the UNDP policy commitment to gender equality. The document, based on lessons learned by country offices,

includes specific guidelines to assist managers in monitoring their progress in gender-mainstreaming. GIDP has also developed and tested, in full consultation with country offices, a capacity-building programme to strengthen the analytic, advocacy and decision-making skills of all staff. This programme includes a tracking system to ensure follow-up to workshops and to strengthen UNDP as a learning organization, contributing directly to UNDP 2001 objectives. The terms of reference of the gender focal point have been revised to reflect more strongly management responsibility and accountability for gender-mainstreaming. This accountability is reflected in the performance compacts signed by senior management.

19. During 1997, GIDP placed greater emphasis on increasing the availability of disaggregated statistics. In collaboration with the International Labour Organization (ILO), the Self-Employed Women's Association, the International Development Research Centre and the United Nations Statistical Office, GIDP established a research programme on disaggregative labour statistics by gender and the valuation of unremunerated labour. Pilot activities have been initiated in six countries. Through the Interagency Committee on Women and Gender Equality, GIDP provided input at the substantive session of 1997 of the Economic and Social Council at which the Council adopted the agreed conclusions 1997/2 on mainstreaming the gender perspective into all policies and programmes in the United Nations system.

20. GIDP has collaborated closely with UNIFEM and other development partners, including the Joint Consultative Group on Policy (JCGP), the Gender Equality Sub-group, the Division for the Advancement of Women and activities of the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD/DAC) related to the follow-up to Fourth World Conference on Women, especially the political and economic empowerment of women. Particular focus has been placed on issues relating to women and entrepreneurship, ending violence against women, women and science and technology and on gender dimensions of poverty and macro-economic formulations as the basis for complementary project and programming activities.

### C. Establishing an enabling environment for sustainable human development

21. Governance, as the means for creating the necessary foundation for achieving poverty eradication and SHD, emerged as an increasingly important area for UNDP support to country demand in all developing regions. UNDP experience has increasingly shown that SHD depends on good governance and the empowerment of individuals and communities to participate in the decisions that affect their lives. The Management Development and Governance Division is responsible for providing policy guidance on governance programmes to Regional Bureaux and country offices. Activities were undertaken in each of the UNDP governance focus areas.

22. In the field of decentralization and local governance, MDGD initiated a global research project involving the Massachusetts Institute of Technology and 10 national research institutions in participating countries, including Honduras, Jordan, Pakistan and Poland. Each institution is analysing case

studies on decentralization and, in particular, the effect on partnership and participation at the local and community level. The findings will contribute to a publication on best practices in decentralization initiatives. In addition, the methodology of the Local Initiative Facility for Urban Environment (LIFE), now in its third phase, is in the process of mainstreaming, with both Mongolia and Uganda initiating LIFE programmes using country and government resources. The LIFE programme continues to receive funding support from Denmark, Germany, the Netherlands and Sweden.

23. UNDP and the United Nations Capital Development Fund are cooperating on a joint project with the Royal Government of Bhutan entitled Strengthening Capacities for Development Management and Decentralization. The $1.15 million preparatory assistance project will test methodologies to build local community development planning and implementation capacity. The project will be launched as a national programme after the 18-month pilot phase.

24. UNDP support for governing institutions focused on strengthening parliaments, electoral bodies and judiciaries. It also involved providing support to countries in crisis and enhancing human rights protection. In the field of parliaments and electoral bodies, MDGD emphasizes the establishment of partnerships. In 1997, memorandums of understanding were signed with International Institute for Democracy and Electoral Alliances (IIDEA), the Inter-Parliamentary Union and Parliamentarians for Global Action. In its effort to expand its network, MDGD also pursued closer working relations with bilateral agencies such as the Swedish International Development Agency, the Danish International Development Agency and the Ministry of Foreign Affairs of the Netherlands. In the area of judicial reform, MDGD cooperated with the Regional Bureau of Latin America and the Caribbean in setting up a joint programme on justice reform in Latin America.

25. During 1997, MDGD developed the UNDP policy paper on human rights, which outlines the UNDP approach to integrating human rights and SHD. In line with this policy document, a global sub-programme on human rights-strengthening is being designed. This programme will provide support to country offices programming in the field of human rights and will help to develop 10-15 innovative human rights projects at the country level. With a memorandum of understanding now signed, UNDP is working closely with the United Nations High Commissioner for Human Rights for the further integration of human rights and development.

26. In 1997, MDGD initiated activities to support governance in crisis countries. To explore this issue better, a synthesis and analysis of the situations faced by UNDP in crisis countries was initiated. In December 1997, a symposium on rebuilding fractured communities was organized. As part of the follow-up activities, research papers are being commissioned on key issues raised in the symposium.

27. The Programme for Accountability and Transparency (PACT) follows a two-pronged approach. At the country level, it develops and pilot-tests tools to conduct assessments in financial accountability and transparency in targeted countries. At the global and regional levels, it works with international networks on developing strategic interventions and regional strategies to

strengthen accountability in governance. PACT achievements in 1997 include: developing the guidelines for the country assessment in accountability and transparency mission, which were field-tested in Morocco and Mongolia; developing a training package on managing information and the professional capacity to deliver effective public-sector records systems; providing financial assistance to the International Federation of Accountants to develop coherent and internationally accepted accounting guidelines for the public sector. Moreover, it supported the Development Initiative of the International Organization of Supreme Audit Institutions in designing an eight-week course for supreme audit institutions in the Arab region. A global workshop on combating corruption was organized in partnership with the OECD Development Centre. A regional strategy on financial accountability in governance for economies in transition in 27 countries of Central and Eastern Europe and the Commonwealth of Independent States was initiated. PACT receives support from Denmark, Finland and the Netherlands.

28. The programme on globalization, liberalization and SHD was developed by MDGD in partnership with the United Nations Conference on Trade and Development (UNCTAD) to help developing countries to meet the challenges posed by the forces of global economic integration. UNDP and UNCTAD will pool technical and financial resources to assist low-income countries in managing their integration in the global economy, enhancing trade and enterprise competitiveness and increasing access to international capital flows and foreign direct investments. The programme, which will operate on a pilot basis in 10 low-income countries, will build national capacity to accelerate economic growth within the overall context of sustainable human development. National academic institutions will receive support to strengthen policy research and the programme will provide resources to enhance negotiating skills and development planning and implementation capacity among public and private organizations.

29. UNDP, together with UNCTAD, the International Trade Centre, the World Bank and the International Monetary Fund, participated in the interagency task force for the preparation of the World Trade Organization-sponsored High-level Meeting on Integrated Initiatives for Least Developed Countries Trade Development in Geneva in October 1997. The Integrated Framework for Trade-Related Technical Assistance, adopted at the High-level Meeting, will enhance inter-agency cooperation in the delivery of trade-related technical assistance to Least Developed Countries and integrate the programming of aid in the UNDP-sponsored round-table meetings and the World Bank Consultative Groups. Follow-up to the High-level Meeting will continue throughout 1998 with particular emphasis on promoting trade capacity development efforts that will benefit the poor and closely align with policies to promote SHD.

30. MDGD further advanced UNDP corporate policy positions on urban issues, including urban agriculture, rural-urban linkages and sustainable public transport in 1997. UNDP has also continued to support and monitor the Urban Management Programme, a global technical cooperation programme dealing specifically with urban management problems. The programme aims at strengthening the capacity of municipalities and stakeholders by focusing on such issues as poverty, environment and local governance. The programme is executed by the United Nations Centre for Human Settlements (UNCHS) and receives additional funding from the Netherlands, Sweden and Switzerland. Its activities

are largely decentralized and implemented from regional offices in Abidjan, Cairo, Bangkok and Quito. In 1997, the UMP developed a methodology for city consultations at the country level, which has been applied in the case of 50 cities worldwide. UNDP continues its collaboration with many partners, including UNCHS, ILO, the United Nations Environment Programme, the World Health Organization and the International Union of Local Authorities.

31. At the regional levels, throughout 1997, MDGD continued to work closely with the Regional Bureaux, providing support to their regional governance initiatives. For example, MDGD supported the Regional Bureau for Arab States in organizing the first regional conference on governance in Beirut in December 1997. In the Africa region, MDGD supported the Africa Governance Forum, which served to review governance programmes in various countries as well as to establish the Africa Regional Project for Governance-Capacity Assessments. And in the Asia and Pacific region, MDGD supported the development and preparatory activities of the Asia Pacific Regional Governance Framework and continued to support the regional development management programmes in the Pacific island countries.

32. At the global level, a major accomplishment for MDGD in 1997 was its success in bringing a wide range of actors together and gaining wider visibility for UNDP in the field of governance. The Global Conference on Governance for Sustainable Growth and Equity, held in July 1997 at United Nations Headquarters, involved more than 1,200 ministers, parliamentarians, mayors and CSO representatives. It was organized in collaboration with a number of United Nations organizations and NGO networks, including UNICEF, the Department for Economic and Social Affairs, the World Bank, the International Union of Local Authorities, the Inter-Parliamentary Union and the International Council of Voluntary Agencies, bringing many of these actors together for the first time.

33. MDGD also effectively promoted cross-fertilization of experiences in governance by chairing the Sub-Task Force on Capacity-building for Governance on behalf of UNDP and involving the active participation of 18 United Nations specialized agencies. The Sub-Task Force was part of the United Nations Task Force on an Enabling Environment for Economic and Social Development, mandated to develop a United Nations system-integrated approach to the resolutions of United Nations international conferences, in particular the World Summit for Social Development. The final report and recommendations of the Sub-Task Force were presented to the Economic and Social Council.

34. MAGNET, the MDGD Web site on governance, was enhanced and expanded. In an attempt to link governance experts from around the world, an electronic mailing list was set up on MAGNET to stimulate discussion on issues relating to governance. The network opens new ways of learning, sharing experiences and accelerating the promotion of good governance. It aims at building local capacity in MDGD-supported projects as well as building capacity of public reform efforts, of Governments, and of public management professionals. Hits per month have increased from 10 in July, when MAGNET was launched to over one thousand by November 1997.

35. Throughout the year, MDGD also provided support to the Sub-Regional Resource Facilities (SURFs). MDGD support in this area began in 1996 with the

establishment of a governance facility in Pakistan and the Division has since worked closely in the conceptualization and development of the SURFs, including involvement in an evaluation of the existing SURFs in Pakistan and Thailand. MDGD has also provided significant support to the establishment of the global hub based in BDP.

36. The Office of Development Studies (ODS), which joined BDP in 1997, has been at the forefront of advancing new development thinking and policy tools. In promoting critical new perspectives on development cooperation, ODS has been successful in advancing such concepts as global public goods and "global housekeeping" in the international development debate. ODS research and analysis offers concrete policy tools and technical means and mechanisms to help development practitioners to create mutually reinforcing relationships between economic growth and social and environmental concerns. "Valuing Our Future", an ODS discussion paper published in 1997, provided analytical tools for making cost-benefit analysis more sensitive to sustainability concerns. Another discussion paper, "Development and Global Finance: The Case for an International Bank for Environmental Settlements", argued the case for environmental commitment markets as institutional tools for sharing the cost of environmental preservation.

37. In an effort to channel private finance towards the objectives of SHD, ODS has worked to establish working relationships between private sector actors, especially financial services institutions, academic institutions, United Nations specialized agencies, the International Monetary Fund, the World Bank, and the Bank for International Settlements, among others, to enhance public and private financing of development. The ODS-sponsored Money Matters Initiative is a forum composed of private fund managers, development experts and public policy-makers. Its objective is twofold: (a) to assess how to enhance national capacities to manage private capital, both domestic and foreign, in least developed countries and (b) to search for feasible ways and means of facilitating private investment in support of SHD. Several ODS studies published in 1997, "Private Financing for Sustainable Human Development", "Private Investment and the Environment", and "International Financial Liberalization: The Impact on World Development", among others, served as entry points for discussion on these issues. ODS initiatives on private finance have been the subject of regional and national meetings organized in collaboration with Regional Bureaux, country offices and private institutions in Chile, Egypt, Malaysia, Tunisia and Zimbabwe.

38. ODS joined with NGOs in undertaking joint initiatives, including the organization of the Society for International Development World Conference in 1997. It is also collaborating with the International Development Conference in the organization of the 1999 conference on "Generations in Dialogue: Visions and Actions for the 21st Century". A major UNDP outreach event undertaken by ODS is the annual Paul Hoffman Lecture. In the 1997 lecture, the President of the World Bank stressed the primacy of people-centred development.

39. In 1997, the Private Sector Development Programme (PSDP) launched the Umbrella Programme for Engaging the Private Sector in Support of SHD to integrate the private sector through partnership agreements in local efforts to further development. The programme requires private sector partners to

co-finance joint development initiatives. PSDP is currently providing support to nine programme countries throughout the five regions under this programme. The programme, which contains a research component undertaken in collaboration with the Prince of Wales Business Leaders Forum, will support overall UNDP institutional learning on effective development collaboration with private sector actors. PSDP is also leading the development of the Global Sustainable Development Fund, a joint venture between UNDP and the corporate sector, represented by some 50 global corporations, to further poverty eradication and the integration of developing countries into the global economy.

40. During 1997, PSDP supported the development of the Enterprise Africa Programme, a regional programme for support to small and medium-size enterprises that is coordinated by the Regional Bureau for Africa. The programme helps small and medium-sized enterprises in participating countries to access means of finance and to strengthen business associations and networks. PSDP also collaborated with the Regional Bureau for Europe and the Commonwealth of Independent States in the design of a regional small and medium-size enterprise development programme for that region.

41. As the information technology revolution has spread around the world, an often staggering gap between information and communication technology (ICT) capacity in industrialized countries and in least developed countries has emerged. The implications are serious as countries lacking the capacity are unable to participate to their advantage in the globalization process or reap the benefits of the free flow of information made possible by information and communication technology. The Information Technology for Development Programme (ITDP), launched in 1997, is designed to promote information and communication technology capacity development and to gain better understanding of its applicability in the context of SHD through pilot- testing and feasibility studies in areas such as education, health, natural resource management, small enterprise development and participatory decision-making processes. ITDP led the UNDP participation in the Global Knowledge 97 meeting held in Toronto, Canada, 22 to 25 June (Knowledge for Development in the Information Age: A Global Conversation).

42. The Sustainable Development Networking Programme (SDNP), launched following the United Nations Conference on Environment and Development (UNCED), was designed to provide civil society organizations in developing countries with access to information relevant to sustainable development. By the end of 1997, the programme operated a total of 39 SDNP sites in developing countries. In December, it joined the Internet Initiative for Africa in hosting a workshop in Maputo, Mozambique, to promote greater Internet access throughout the continent. At the request of the Heads of State at the 1996 Summit of the Americas, SDNP produced a status report on connectivity in the Americas. It provided support to the research, development and implementation of the Massachusetts Institute of Technology Global System for Sustainable Development in Central America and China. In follow-up to the Conference of the Parties to the United Nations Framework Convention on Climate Change held in Kyoto in December 1997, SDNP is working with Hewlett Packard, Inc. on the Small Islands Developing States Network to provide access to vital information on sustainable development to 42 island countries.

## D. Environmental protection and regeneration

43. UNDP's efforts in promoting environmental protection in the context of SHD are designed to assist programme countries in their implementation of the UNCED Agenda 21. The Sustainable Energy and Environment Division (SEED) consolidates the wide range of energy, natural resources management, and environmental expertise in UNDP into one division. In addition to managing global programmes on energy, food, forests and water, SEED incorporates two specific Agenda 21-mandated units - Capacity 21 and the Office to Combat Desertification and Drought. Furthermore, SEED hosts two units that serve as implementing agencies for global conventions - the Global Environment Facility and the Montreal Protocol. Two additional units complete the division: Public-Private Partnerships for the Urban Environment and the United Nations Revolving Fund for Natural Resources Management.

44. In 1997, the Energy and Atmosphere Programme (EAP) published "Energy after Rio: Prospects and Challenges", a report on energy's critical linkages to poverty and development. The publication, which was launched prior to the special session of the General Assembly for the purpose of an overall review and appraisal of the implementation of Agenda 21 held 23-27 June 1997, presented an analysis of alternative sustainable energy strategies to meet Agenda 21 objectives. The Sustainable Energy Global Programme began a three-year programme of support to global advocacy and the development and implementation of pilot projects on sustainable energy. The Financing Energy Services for Small-Scale Energy-Users Programme completed activities in South Africa, Lesotho, and Zimbabwe. EAP provided technical support to country offices in China, Khazakstan, Morocco, the United Republic of Tanzania and Viet Nam to help to incorporate sustainable energy into advisory notes and CCFs. United Nations Initiative on Sustainable Energy training was provided in Bahrain, Eritrea and Malawi. During the year, EAP also initiated collaboration with the Department for Economic and Social Affairs on the preparations for the Ninth Session of the Commission for Sustainable Development, which will focus on energy and development.

45. The UNDP Food Security and Sustainable Agriculture Programme reached agreement with FAO on follow-up to the World Food Summit in three priority areas: (a) national capacity-building within the FAO Special Programme on Food Production for Food Security in Low-Income, Food-Deficit Countries (SPFS); (b) building national capacity for community-based constraints analysis and development planning within and outside of SPFS; and (c) national capacity-building within the Food Insecurity and Vulnerability Information Mapping System Programme. In its role as a co-sponsor of the Consultative Group on International Agricultural Research (CGIAR), UNDP is hosting the Secretariat of the CGIAR Impact Assessment and Evaluation Group. The Group is responsible for monitoring, evaluating and communicating the outputs of programme development CGIAR centres and their impacts on environmentally sustainable production and food security for the poor.

46. During 1997, the UNDP Global Programme on Forests was formulated and approved as an integral part of the report of the Intergovernmental Panel on Forests (IPF), approved by the General Assembly at its special session in June 1997, and the Interagency Partnership to implement IPF recommendations. A

forest policy framework linking forest programmes with food security and sustainable livelihoods programmes was developed in cooperation with partner agencies and programme countries. The Forest Programme initiated development of pilot projects supporting policy reform and innovative international cooperation to achieve sustainable forest management in six programme countries. It is developing proposals on opportunities for sustainable forest programmes within the agreements of the United Nations Framework Convention on Climate Change. In addition, UNDP, together with the Brazil Foundation for Sustainable Development, sponsored a workshop in Rio de Janeiro on forest policies for sustainable development in the Amazon. This gathering of top Brazilian and international scientists and policy-makers developed and published recommendations for future work on sustainable forest management.

47. In 1997, UNDP made further progress in developing the Global Water Partnership, an international network open to all public and private sector organizations involved in water resources management. Regional technical committees were established in Asia, Latin America and Africa to provide advice on specific water issues facing different regions. Under UNDP chairmanship, the World Water Council - "a global think tank" - initiated the preparation of a long-term vision for water, life and the environment, highlighting the need to integrate the various water-related activities in a coherent framework. SEED completed a market survey of field projects and formulated the Strategic Initiative for Ocean and Coastal Management project. It participated in the Nile River Basin Cooperative Framework, a joint effort between BDP and the Regional Bureau for Africa and the Regional Bureau for Arab States to promote a cooperative framework for the 10 riparian countries of the Nile.

48. In 1997, the Office to Combat Desertification and Drought (UNSO), which spearheads UNDP efforts in dryland management, desertification control and drought preparedness and mitigation and the implementation of the United Nations Convention to Combat Desertification, supported some 45 countries in developing National Action Programmes and promoted stakeholder participation in these national processes, including placing UNV specialists in 14 countries. UNSO provided catalytic funding and technical support for the establishment of national desertification funds in 22 countries in order to mobilize and channel resources effectively in support of local-level activities. UNSO also led the development of a strategy and twelve-month plan of action on strengthening the role of women in anti-desertification measures and is mobilizing resources for its implementation. Meanwhile, the Office continued to backstop a sizable downstream project portfolio of some 14 projects relating to integrated resource management amounting to a total volume of some $25 million. UNSO also launched a pilot programme on promoting farmer innovation in rain fed agriculture.

49. Capacity 21 assisted 70 countries (see annex IV) in developing a diverse spectrum of activities, including advice and assistance in programme development and monitoring, information-building and dissemination, and advocacy on capacity-building for sustainable development. To test and pioneer genuinely reflective types of programme monitoring, Capacity 21, in partnership with the International Institute for Environment and Development, launched the Programme Learning Initiative in the Gambia and the Philippines.

50. Capacity 21 made considerable progress towards achieving its mandate of creating a body of experience and expertise in capacity-building for sustainable development. In addition to developing a comprehensive set of information materials highlighting country experiences in sustainable development programmes and processes, Capacity 21 played an active role in various events leading up to the special session of the General Assembly held in June 1997. Continued support for Capacity 21 activities was demonstrated through the contribution of $7 million by donors to the Capacity 21 Trust Fund.

51. The annual work programme of the UNDP GEF unit grew by $139 million during 1997. Since the beginning of GEF operations in 1991, the unit has secured funding for over 1,000 innovative projects (including the Small Grants Programme). At the end of 1997, the UNDP-GEF portfolio amounted to $570 million, and an additional $256 million in co-financing for these projects brought the total value of the portfolio to $826 million.

52. During the year, a major effort was launched to bring country office staff to headquarters for intensive on-the-job training. Results are already being realized as these staff are returning to their country offices and stimulating more active local and national participation in GEF. This training initiative will be ongoing throughout 1998 with over 100 operational staff participating in this programme or in project-development training. As the GEF portfolio matures, monitoring and evaluation of projects has been strengthened to enhance accurate assessments of project performance. Lessons learned are being incorporated into the design of all future projects.

53. As of December 1997, the UNDP Montreal Protocol was assisting 60 countries to eliminate ozone-depleting substances (ODS). In 1997, total approvals were $45.4 million, with 99 per cent funded by the Executive Committee of the Protocol Multilateral Fund, and 1 per cent funded through the GEF for work in the Commonwealth of Independent States countries. This resulted in an increase of the UNDP 1991-1997 cumulative project portfolio to $190 million; the portfolio now comprises 730 projects, including 444 technology-transfer conversion projects, which will eliminate 24,226 tonnes/year of ODS. UNDP project approvals in 1997 were 50 per cent larger than in 1996.

54. The Montreal Protocol has made a significant effort towards reversing the damage to the ozone layer. In 1997, UNDP completed 79 projects, thus raising the total of projects completed during 1991-1997 to 252. This includes 49 technology-conversion projects that eliminated 3,065 ODS tonnes/year and 30 non-investment projects comprising training, technical cooperation, project preparation and demonstration projects. A total of $35 million was disbursed in 1997 under the programme. UNDP also had programmes in 27 low-ODS-consuming countries (four more than in 1996), thus ensuring that smaller countries are not being ignored in the rush to eliminate ODS. And finally, in 1997, UNDP developed, and the Executive Committee approved, seven innovative approaches to eliminate ODS consumption in small and medium-sized enterprises in Guatemala, India, Mexico, Paraguay, and the Philippines.

55. The Public-Private Partnerships for the Urban Environment (PPP) programme, promotes environmentally sound private sector investment in water, waste management and energy projects in developing countries. Through the

establishment of PPP pilot projects, the programme is testing a new methodology for public-private sector collaboration on environmental projects in urban areas. In 1997, the PPP gathered over 200 experts from private sector, government and academic institutions from around the world to discuss public-private sector collaboration in urban environmental issues through the Internet. As an outgrowth of the Internet conference, an international best practices exchange workshop has been launched together with Yale University.

56. The United Nations Revolving Fund for Natural Resources Exploration"s (UNRFNRE) adopted a new focus for the sustainability of non-renewable resources from the viewpoint of the changing world of the mining industry and the role of the United Nations. UNRFNRE has shifted its activities from costly mineral exploration to less expensive multidisciplinary exploration, environmentally sound technology transfer and information services through workshops, round tables and publications.

## III. PROBLEMS ENCOUNTERED AND LESSONS LEARNED

57. The restructuring that followed the adoption of UNDP 2001 brought about critical changes for BDP, most significantly through the focusing of its mandate on its development policy and strategy role, and the gradual phasing out of the direct responsibility for providing technical advice to country offices. The Bureau's active participation in the change management process throughout the year, the lengthy formulation process for the global cooperation framework, and a similarly complicated process in preparing the report on narrowing the focus (DP/1998/5) challenged the Bureau in terms of human resources and workload. The close consultative process with the Executive Board on the two documents, while time-consuming, proved highly rewarding in the final analysis as it helped to focus the Bureau on its future courses of action.

58. The streamlining of the Bureau's mandate will allow increased focus on policy and programme development and is expected to increase the bureau's effectiveness significantly. The Executive Board decision 98/1 has given further specificity to the new mandate of BDP by identifying a set of guiding principles as well as 20 core development services. In addition, the new Global Hub/SURF system will gradually reduce the requirements for technical backstopping.

59. Given the global nature of BDP work, many of its initiatives require a long gestation, preparation and implementation period to realize the capacity-building investment intended to ensure sustainable impacts, resulting in substantial carry-over. With this, and the dramatic cut in resources for global activities in the present programming period, new resources available for global programmes are severely limited, calling for greater efficiency, focus and effectiveness. The Bureau has also recognized the need, in this context, to strengthen further its financial monitoring mechanism, which is being undertaken as a Bureau-wide priority in 1998.

60. The commitment to gender-mainstreaming and gender equality so critical to the goal of poverty eradication and equity, called for changing the organizational culture and reforming structures both at headquarters and in

country offices. The gender-mainstreaming assessment indicated that commitment at the senior-management level and by the resident representative was crucial to the success of policy and programme implementation. The comprehensive evaluations of gender-mainstreaming in 20 countries of special collaboration and the translation into lessons learned supported organizational learning and change. Significant improvement in gender balance at the most senior levels decision-making in the organization, the budgetary commitments to gender and new accountability mechanisms have enhanced the enabling environment for gender-mainstreaming. This has been complemented by the global cooperation framework initiatives, which include the placing of 20 regional gender advisors in the field and the capacity-building programme for gender mainstreaming.

61. Lessons learned from the evaluations of the interregional and global programme presented in January 1997 were incorporated into the formulation of the global cooperation framework. Particular attention was paid to the identified need to strengthen linkages with regional programmes, to facilitate joint-learning approaches with other donors and stakeholders, and to improve programme formulation through well-thought-out strategies and the inclusion of clear benchmarks against which progress can be measured. For instance, MDGD cooperated closely with the Regional Bureaux in the initiation and launching of regional governance programmes in Asia and the Pacific and in Africa. Joint learning was also facilitated through the collaboration between the Poverty Strategies Initiative and UNICEF on basic social services. And the evaluation of the Sustainable Agriculture Networking and Extension (SANE) Programme yielded important lessons on effective partnership-building in the field. It was found that UNDP administrative and grant management practices are not sufficiently adapted to working with NGOs that lack strong administrative capacity. Significant differences in understanding agro-ecological farming and experience with participatory techniques among NGOs posed additional challenges. Thus, future activities aimed at upscaling the SANE approach for national implementation must be more closely aligned to the institutional capabilities of local partners to be sustainable. This is now being reflected in the redesign of the programme.

62. The process of learning through such evaluations and reviews will be further enhanced by the Global Hub/SURF system of linkages and ongoing documentation of best practices emerging from country, regional and global programmes.

## IV. MAIN OBJECTIVES FOR 1998

63. While 1997 was a year of reorganization, redefinition and change, 1998 will be a year of focusing on the goals as defined in the global cooperation framework, the change management process, and Executive Board decision 98/1. This will entail even greater teamwork and integration within BDP, a sharper design and execution of strategies in pursuit of global goals, and more efficient and effective support in enhancing the quality and focus of country and regional programmes. The main tool in administering BDP responsibility in the development, application, monitoring, and refining of the UNDP development policy is the global cooperation framework. Programmes such as GEF, the Montreal Protocol, UNSO and Capacity 21, will also continue to play a

significant role in the formulation and refining of UNDP policy and programme strategies.

64. The focus in the development of policies and new programme approaches will be on the 20 core development areas identified in "Narrowing the focus". Through the global cooperation framework, BDP will build on existing programme approaches as well as pilot-test new approaches at the country level. From this, best practices and lessons will be drawn for the further development of policy and approaches. For instance, the Poverty Strategies Initiative will document, consolidate and disseminate results and lessons learned in poverty eradication in over 90 countries assisted during its first phase, highlighting innovations in the thinking and approaches for the reduction and ultimate eradication of poverty. This will provide input into policy and strategy development but also to the Special Session of the General Assembly scheduled for the year 2000, devoted to a review of the status of implementation of WSSD commitments. The Sustainable Livelihoods programme will be designing a methodology for promoting an approach in urban centres, beginning in Cairo, building on principles and lessons learned from work in rural areas. Work continues on gender-mainstreaming through the development of indicators to measure the attainment of gender-equality goals and improvements in women's status, strengthening staff capacity and accountability for gender-mainstreaming and supporting initiatives to create enabling legal environments for women's human rights. Pilot activities for disaggregating labour statistics by gender will be initiated. The decentralization and local governance programme will publish their findings on best practices on decentralization and its effect on partnership and participation at the local and community levels. Work will continue on operationalizing the human rights-based approach to SHD. Greater integration of and linkages between poverty and environment will be pursued. Both GEF and UNSO face the challenge of further mainstreaming of their respective concerns throughout UNDP, as well as strengthening their support to country-level activities. The Montreal Protocol will develop innovative and cost-effective modalities to cover ODS-elimination programmes for small and medium-sized enterprise.

65. Cutting across sectoral lines, BDP will spearhead UNDP work in collaboration with new partners. The Civil Society Organization and Participation Programme will be launched, emphasizing experimentation, innovation and learning, with the view to developing UNDP corporate policies and strategies with CSOs. BDP will also continue to explore ways to create capacities in programme countries to enable them to tap into the immense resources (finance, management and technologies) that exist in the private sector for investments that are socially and environmentally just.

66. BDP will play a lead role in strengthening the UNDP knowledge base, and in promoting the culture of learning and networking. The global hub/SURF system will be piloted in 1998 with SURFs in each region providing country offices with access to SHD-related institutions and experts as well as substantive information. Linked to this in-house process, the Sustainable Development Networking Programme (SDNP), currently active in 40 countries, will be further expanded and continue to provide organized meeting places for the development community in each country. BDP will host Web sites, along the lines of MAGNET, including the SDNP Homepage, Info 21, and sites for ODS, Capacity 21, Energy,

GEF, Montreal Protocol, UNSO, Poverty, CSOs and HIV/AIDS, providing additional opportunities for learning and sharing information, serving both external and internal needs. These endeavours are supported by the application of information and communications technologies, and input into the formulation of UNDP policy on the use of information and communication technology for development, an increasingly critical element of capacity-building as we move into the next millennium, if developing countries, particularly the least developed countries, are not to be marginalized further.

67. Finally, BDP will address key global issues, through its publications, participation in global forums, and networking with partners. As part of the UNDP contribution to the millennium processes, BDP will pursue work on new patterns of development cooperation that include, but go beyond, the current concept of development aid, taking account of the changing realities and needs of the next century. In collaboration with partner organizations of the United Nations system, BDP is pursuing the issue of how increasing trade and globalization can maximize their positive impact on SHD. As follow-up to the Kyoto Conference on Climate Change, BDP will work with programme countries to develop energy strategies that address their needs for sustainable development and that at the same time contribute to reducing greenhouse gases. These efforts will be reinforced by the preparation of a World Energy Assessment in collaboration with the World Energy Council and the Department of Economic and Social Affairs.

Annex I

GLOBAL COOPERATION FRAMEWORK: ACTIVITIES AND INDICATORS

| Activity | Indicators |
|---|---|
| Global Sustainable Development Fund Project | 1. Commitment to participation and sponsorship from at least 20 global corporations by end of 1998<br>2. Successful implementation of recommendations from consultative process completed by March 1999 |
| MicroStart Pilot Programme | 1. Pilot projects operational in 25 countries by end of 1998<br>2. 100 microfinance institutions to have increased their institutional capacity as measured by outreach (number of clients) and sustainability (operational self-sufficiency, portfolio at risk) by end of 2001<br>3. Lessons learned documented and mainstreamed into broader UNDP programming by end of 2001 |
| Entrepreneurship Development | 1. Completion of research project/survey on good practices in non-financial business development services<br>2. Completion of specific case studies on business development services<br>3. Building of a joint programme on entrepreneurship development with selected United Nations specialized agencies |
| Sustainable Development Networking Programme | 1. Number of users<br>2. Types of organizations<br>3. Frequency of use<br>4. Topics of information accessed |
| Information Technology for Development Programme | 1. Number of centres established<br>2. Number of persons trained<br>3. Number and category of centre users<br>4. Number and type of Web sites created and their user frequency<br>5. Participants in listserv discussions<br>6. ICT meetings held and audience reached |

| Activity | Indicators |
|---|---|
| Global Development Studies and Partnership-Building Programme | 1. Citation reviews of publications and concepts launched<br>2. Requests for ODS publications<br>3. Number of meetings organized by UNDP offices, especially country offices, and other partners, including private sector and civil society, as follow-up to debates encouraged through programme initiatives<br>4. Assessment of development change influenced by programme activities in terms of bringing more private resources to SHD concerns |
| Sustainable Livelihoods Programme | 1. Policy paper finalized and disseminated<br>2. Sustainable livelihoods indicators identified and classified<br>3. Technical modules/guidelines for sustainable livelihoods analyses<br>4. Pilots launched in several countries<br>5. Sustainable livelihoods approach adapted to country-specific applications |
| Promotion of Civil Society and Participatory Development | 1. Number of policy experiments with an explicit demonstrative value in creating an enabling environment<br>2. Number of CSO exchanges/transfers and training exercises<br>3. Number of participating CSOs in decision-making forums<br>4. Number of innovative practices/instructive lessons in each region<br>5. Communications strategy established that can effectively disseminate SHD case studies and innovative development practices<br>6. Effective functioning of the Learning Network for Empowerment and Participation (LEAP) |
| UNDP Poverty Report | 1. Provision of specific country-level data on poverty trends and implementation of WSSD commitments<br>2. Documentation of scope and coverage of UNDP poverty reduction activities at policy and programme levels |
| Poverty Strategies Initiative | 1. Endorsement and adoption of national anti-poverty strategies and action plans<br>2. Benchmarks and targets for poverty reduction established and endorsed<br>3. Institutional machinery for poverty reduction in place |

| Activity | Indicators |
|---|---|
| Knowledge Network for Poverty Reduction | 1. Number of studies undertaken<br>2. Number of country offices assisting articulation between upstream policy work and downstream programming |
| Poverty Monitoring and SHD Indicators | 1. Extent to which United Nations Development Assistance Framework utilize the set of SHD indicators developed<br>2. The number of countries using UNDP's rapid poverty monitoring survey instrument |
| Policy and Analytic Frameworks for Gender Equality | 1. 6-8 pilot country gender-disaggregated statistical data experiences carried out<br>2. Gender-equality indicators utilized/assessed in CCA frameworks in at least 10 UNDAF countries<br>3. Gender/macroeconomic analytical studies promoted to assess differential gender impacts on globalization issues |
| Gender Mainstreaming: Capacity-development, Demonstration, Communications and Learning | 1. At least 20 Regional/National Learning, Communications Briefing Workshops carried out and staff/management impact tracked on continuing basis<br>2. Gender-mainstreaming good practices documented and disseminated<br>3. Gender listserv operation with all country offices<br>4. Response to country office recommendations reported upon at least twice yearly<br>5. Gender-impact mapping, gender-empowerment measures/gender-development index indicators piloted in one region |
| Global Partnership for Empowerment of Women and Conferences' Follow-up | 1. Assessment of impact on national programmes and commitments to the Advancement of Women<br>2. Assessment of value added of gender advisers placed in at least 10 UNDAF countries and 20 countries where UNV Gender Specialists are placed, including contribution to strengthening Beijing follow-up national action plans and CEDAW compliance |
| Promoting Global/Regional Gender Programmes | 1. Global/regional/inter-agency campaigns carried out on combating violence against women<br>2. NGO Global/Regional networks having monitored and assessed national and international commitments to conference follow-ups<br>3. NGO inputs on dialogues on macroeconomic and globalization issues |

| Activity | Indicators |
|---|---|
| HIV and Development Programme | 1. Development and availability of methodologies and tools for multisectoral approaches to HIV/AIDS<br>2. Interactive and multisectoral networks at country, regional and global levels<br>3. Clear evidence of adoption of HIV/AIDS perspectives in programme documentation and practice<br>4. More effective inter-agency collaboration on programme identification, planning and development |
| Health and Development Programme | 1. Interdisciplinary case studies exploring linkages between health and development policies and health development within broader social, economic and political processes, undertaken in collaboration with development partners<br>2. Inter-agency partnerships enhanced to address key health and development challenges |
| Crisis Countries | 1. Application of information available from the subprogramme at country level (analysis of programmes approved at the country level)<br>2. Utilization of electronic network for information exchange and dissemination<br>3. Utilization and application of guidelines at country level |
| Parliament/Electoral Assistance | 1. Application of information made available through the subprogramme at the country level<br>2. Number of requests for information from the global subprogramme from country offices<br>3. Utilization of expertise of partner (number of programmes designed or activities undertaken with assistance of partners) |
| Human Rights Strengthening (HURIS) | 1. Established consensus within UNDP on the link between human rights and SHD through publication of UNDP policy paper on human rights<br>2. Established partnership with UNHCR through signing of Memorandum of Understanding<br>3. Enhanced awareness of human rights and SHD linkages indicated in subregional, regional and global dialogues |

| Activity | Indicators |
|---|---|
| Decentralization and Local Governance | 1. Application of guidelines at country-level (analysis of country-level programmes)<br>2. Design and implementation of 10-15 innovative decentralization activities at the country level<br>3. Enhanced awareness of decentralization and SHD linkages, particularly poverty eradication, as indicated in subregional, regional and global dialogues<br>4. External resources mobilized to support UNDP work in this field |
| Civil Service Reform | 1. Application of guidelines at country level (analysis of country-level programmes)<br>2. Number of requests for training manuals and implementation of training at country level |
| Urban Development | 1. Application of corporate policy instruments developed at country level (analysis of country-level programmes)<br>2. Enhancement of awareness of cutting-edge urban themes indicated in various interregional dialogues<br>3. Requests for support from the global subprogramme for design of innovative activities |
| Globalization, Liberalization and SHD | 1. Application of corporate policy instruments at country level (analysis of country-level programmes)<br>2. Indication of commitment of country offices to support globalization through design of 5-7 pilot activities at country level<br>3. External resources mobilized to support UNDP work in this area |
| Capacity Development | 1. Application of information made available through global subprogramme at country level (analysis of country-level programmes)<br>2. Indication of country office commitment to integrating capacity development approaches through design of 5-7 pilot activities at country level<br>3. External resources mobilized to support UNDP work in capacity development<br>4. Number of requests from country offices to undertake governance training for staff |
| Accountability and Transparency | 1. Indication of country office commitment to incorporating accountability and transparency approaches through design of country-level activities<br>2. External resources mobilized to support UNDP work in the area of accountability and transparency initiatives |

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| Activity | Indicators |
|---|---|
| Environment and Natural Resource Cross-cutting Programme | 1. Two to three cross-cutting pilot exercises developed and implemented with lessons learned presented for replicability<br>2. Poverty and environment workshop held, background papers prepared, and policy recommendations disseminated<br>3. Strategies formulated and implemented on the support to implementation of sustainable development conventions<br>4. Publication of information such as the World Resources Report to aid decision-making for sustainable development |
| Sustainable Energy Programme | 1. Substantive input on energy and development published as input to ninth session of CSD<br>2. Project level support for sustainable energy activities in at least 30 countries within UNISE framework<br>3. Placement of sustainable energy information, analysis and technical references on EAP Web site to support country offices and SURFs |
| Global Programme on Forests | 1. Production of global-level situation analysis on national forest programme/forest partnership agreements, sustainable forest management and innovative ways and means for financing sustainable forest management<br>2. Preparation of national situation analyses on the forest sector in Cameroon, Costa Rica, Guyana and Viet Nam<br>3. Workshops held<br>4. Country-level indicators developed after April programme planning workshop<br>5. Establishment of sustainable forest management pilot projects and dissemination of lessons learned |
| Food Security and Sustainable Agriculture Programme | 1. Preparation of joint UNDP/FAO guidelines for the application of sustainable livelihoods methods in food-security programming<br>2. Preparation of guidelines for the implementation of food insecurity and vulnerability information mapping systems at national and global levels<br>3. Initiation of new Sustainable Agriculture Networking and Extension Programme pilot projects with at least 20 NGOs in 10 countries<br>4. Competitive grants programme initiated in cooperation with the Regional Bureau for Africa to support collaborative research between international centres and national agricultural research systems in East and Central Africa |

| Activity | Indicators |
|---|---|
| Global Programme on Fresh Water and Aquatic Environment | 1. Development of Strategic Initiative for Ocean and Coastal Area Management indicators within a common evaluation framework for integrated coastal management programming, including preparation of coastal management planning and implementation: a manual for self-assessment, for use at the project, country and donor agency levels<br>2. Best practices recorded and disseminated for follow-up<br>3. Contracts and activities for donor coordination arranged<br>4. Workshops to enhance legal and institutional capacity of Nile Riparian Panel of Experts<br>5. Preparation of reports to help define legal principles, institutional frameworks, data acquisition and sharing mechanisms in the Nile River Basin<br>6. Development of Nile Basin Cooperative Framework to be presented to Council of Ministers |

Annex II

**COUNTRIES WITH NATIONAL HUMAN DEVELOPMENT REPORTS BY 1997**

**100 COUNTRIES**

**AFRICA (41)**

Angola
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
Comoros
Côte d'Ivoire
Equatorial Guinea
Eritrea
Ethiopia
Gabon
Gambia
Ghana
Guinea
Guinea Bissau
Kenya
Lesotho
Madagascar
Malawi
Mali
Mauritania
Mauritius
Mozambique
Namibia
Niger
Nigeria
Rwanda
Sao Tome and Principe
Senegal
Seychelles
Sierra Leone
South Africa
Swaziland
Tanzania, United Republic of
Togo
Uganda
Zambia

**ARAB STATES (6)**

Bahrain
Egypt
Iraq
Kuwait
Lebanon
Morocco

**ASIA AND THE PACIFIC (13)**

Bangladesh
Bhutan
Cambodia

India
Indonesia
Mongolia
Myanmar
Nepal
Pacific Islands
Pakistan
Papua New Guinea
Philippines
Vanuatu

**EUROPE AND THE COMMONWEALTH OF INDEPENDENT STATES (27)**

Albania
Armenia
Azerbaijan
Belarus
Bulgaria
Croatia
Czech Republic
Estonia
Georgia
Hungary
Kazakhstan
Kyrgyzstan
Latvia
Lithuania
Macedonia
Malta
Poland
Republic of Moldova
Romania
Russian Federation
Slovakia
Tajikistan
Turkey
Turkmenistan
Ukraine
Uzbekistan
Yugoslavia

**LATIN AMERICA AND THE CARIBBEAN (13)**

Argentina
Belize
Bolivia
Brazil
Chile
Costa Rica
Cuba
Guyana
Paraguay
Peru
Trinidad and Tobago
Uruguay
Venezuela

Annex III

**LIST OF APPROVED PSI PROJECTS, BY REGION**

**AFRICA (26)**

Angola
Botswana
Burkina Faso
Burundi
Cape Verde
Central African Republic
Congo
Ethiopia
Gabon
Gambia
Ghana
Guinea
Guinea Bissau
Kenya
Lesotho
Malawi
Mali
Mauritania
Mozambique
Namibia
Senegal
South Africa
Tanzania, United Republic of
Togo
Uganda
Zimbabwe

**ARAB STATES (9)**

Djibouti
Jordan
Lebanon
Morocco
Palestinian Programme
Sudan
Syria
United Arab Emirates
Yemen

**ASIA AND THE PACIFIC (20)**

Afghanistan
Bhutan
Cambodia
China
Cook Islands
Fiji
India
Indonesia
Iran, Islamic Republic of
Maldives
Mongolia
Myanmar
Nepal
Niue
Papua New Guinea
Samoa
Thailand

Tokelau
Vanuatu
Viet Nam

**EUROPE AND THE COMMONWEALTH OF INDEPENDENT STATES (15)**

Armenia
Azerbaijan
Bulgaria
Georgia
Kazakhstan
Kyrgyzstan
Latvia
Lithuania
Poland
Republic of Moldova
Romania
Turkey
Turkmenistan
Ukraine
Uzbekistan

**LATIN AMERICA AND THE CARIBBEAN (14)**

Costa Rica
Cuba
Dominican Republic
Grenada
Guatemala
Guyana
Honduras
Mexico
Nicaragua
Panama
Paraguay
Peru
Trinidad and Tobago
Uruguay

Annex IV

**CAPACITY 21 SUPPORT TO COUNTRIES**

**AFRICA (13)**

Burkina Faso
Cameroon
Eritrea
Gambia
Ghana
Kenya
Malawi
Mali
Mozambique
Niger
Sao Tome and Principe
Swaziland
Tanzania, United Republic of

**ARAB STATES (9)**

Djibouti
Egypt
Jordan
Lebanon
Morocco
Sudan
Syria
Tunisia
Yemen

**ASIA AND THE PACIFIC (16)**

Bangladesh
Bhutan
China
Fiji
India
Iran, Islamic Republic of
Kiribati
Laos
Mekong
Nepal
Papua New Guinea
Philippines
Samoa
Tuvalu
Vanuatu
Viet Nam

**EUROPE AND THE COMMONWEALTH OF INDEPENDENT STATES (11)**

Azerbaijan
Bulgaria
Estonia
Kazakhstan
Kyrgyzstan
Russian Federation
Slovakia
Tajikistan
Turkey
Turkmenistan
Uzbekistan

**LATIN AMERICA AND THE CARIBBEAN (21)**

Bolivia
Chile
Colombia
Costa Rica
Barbados
Belize
British Virgin Islands
Dominica
Dominican Republic
Ecuador
El Salvador
Grenada
Guatemala
Honduras
Jamaica
Mexico
Panama
Paraguay
Peru
Saint Lucia
Trinidad and Tobago

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# ANNUAL REPORT OF THE ADMINISTRATOR FOR 1997 AND RELATED MATTERS

## Addendum

## OTHER FUNDS AND PROGRAMMES

SUMMARY

In the introduction to the annual report of the Administrator for 1997 (DP/1997/17), the Administrator underscores the important partnership that exists between UNDP and its associated funds and programmes at the various levels of the organization's work in support of programme countries' efforts to eradicate poverty. The present report provides highlights of 1997 achievements and key challenges for 1998 for the Special Unit for Technical Cooperation among Developing Countries (SU/TCDC), the United Nations Capital Development Fund (UNCDF) and the United Nations Development Fund for Women (UNIFEM), as well as information on how the partnership between SU/TCDC, UNCDF, UNIFEM and UNDP is being strengthened further.

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98-09036 (E) 300498

# I. SPECIAL UNIT FOR TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

## A. Introduction

1. It is difficult for developing countries, especially least developed countries, to participate in the globalization process. Advances in finance, communications and technology have bypassed many developing countries. Others continue to be immersed in the problems of coping with abject poverty and hunger and risk of being marginalized. Such an uneven trend calls for a renewed global partnership for cooperation. Traditional technical cooperation, characterized by North-South relations, will remain an important factor in the sustained economic growth of developing countries. Technical cooperation among developing countries (TCDC), in the framework of South-South cooperation, complements rather than substitutes for traditional modes of international development cooperation.

2. In its mission statement UNDP 2001 reiterates that UNDP supports South-South cooperation by actively promoting the exchange of experience among developing countries. The promotion of such cooperation has thus become UNDP corporate policy and a core responsibility of its senior managers.

3. Spearheaded by the Special Unit for Technical Cooperation among Developing Countries (SU/TCDC), a Unit established within UNDP by General Assembly resolution 3251 (XXIX) of 4 December 1974 with a mandate to promote TCDC on a system-wide basis, UNDP has embarked upon a strategy to intensify its support to South-South cooperation and TCDC by making TCDC a cross-cutting instrument in the design and delivery of UNDP-supported poverty eradication programmes. A study of the 120 existing regional and country cooperation frameworks and programme outlines conducted by the Special Unit revealed that 50 per cent of them have used TCDC either as an implementation strategy or as a set of distinct programme activities.

4. In its decision 95/23, the Executive Board allocated 0.5 per cent of UNDP core programme resources for the promotion of TCDC during the current programme period (1997-1999), which enabled the Special Unit to formulate, for the first time, a distinct TCDC programme, beginning in 1997. The programme focuses on strengthening developing countries' capacity to intensify cooperation among themselves, in strategic areas of trade, investment, macroeconomic policy, poverty eradication, environmental protection, production and employment, through exchange of knowledge and networking among southern institutions. The contributions of $2 million by the Government of Japan under the Japanese Human Resources Development Fund and of $200,000 by the Government of the Republic of Korea to the Voluntary Trust Fund for the Promotion of South-South Cooperation provided the programme with much-needed additional resources.

## B. Highlights of 1997 achievements

5. In the areas of trade, investment and finance, efforts were made to identify concrete measures to improve linkages between TCDC and economic cooperation among developing countries (ECDC). The Unit supported the Group

of 77 and China in the organization of the South-South Conference on Trade, Finance and Investment, held in San Jose, Costa Rica, from 13 to 15 January 1997. The conference brought together government and private sector representatives, including from Chambers of Commerce, industry and exports, and non-governmental organizations (NGOs), from the 132 member countries of the Group of 77 and China, as well as from relevant international organizations. For the first time, a group of 140 young entrepreneurs from 65 developing countries also participated in the discussion. The conference emphasized increased dialogue and cooperation among Governments, the private sector and NGOs as a means of responding to the challenges of the twenty-first century, and produced a systematic framework for cooperation in the areas of trade, finance and investment among developing countries.

6. In partnership with the Third World Network (TWN), headquartered in Malaysia, the Special Unit provided developing countries with insightful and timely analyses of the effects of globalization on the economies of developing countries, through the organization of regular briefings for developing country delegates stationed in Geneva, Switzerland, and subject-specific seminars for experts and institutions of the developing countries on a wide range of issues pertaining to globalization and economic liberalization, and ongoing negotiations in the World Trade Organization (WTO). The TWN fortnightly journal "Third World Economics", and the daily newsletter "South-North Development Monitor" served as important means of exchanging information and knowledge among developing countries on these issues.

7. In the follow-up to the Barbados Programme of Action for the Sustainable Development of Small Island Developing Countries (SIDs) and the UNDP role in strengthening the capacities of the SIDS at the national and subregional levels, the Special Unit prepared the Small Island Developing States Technical Assistance Programme (SIDSTAP) and conducted an assessment of unmet needs in the various SIDS regions, especially in the Caribbean, and formulated a compendium of proposals for technical cooperation in a number of priority areas falling under the 14 chapters of the Barbados Programme of Action. In collaboration with the Sustainable Development Network Programme (SDNP), the Special Unit also supported the launching of a pilot SIDS information network (SIDSNET) connected to the Internet. Pursuant to provisions of General Assembly resolution 51/183, UNDP is collaborating with the Department of Economic and Social Affairs in the United Nations Secretariat in organizing a donors conference to review project proposals for unmet needs identified by SIDS Governments.

8. In line with the recommendations in the report "New Directions for TCDC", the Special Unit brought together representatives of 23 pivotal developing countries from the Africa, Arab States, Asia and the Pacific, Europe, and Latin America and the Caribbean regions to the Meeting of TCDC Pivotal Countries, held from 17 to 19 November 1997, in Santiago, Chile, to discuss their experiences in responding to the effects of globalization. The meeting reaffirmed the increasing relevance of economic and technical cooperation among developing countries in the context of globalization. The meeting also identified a number of strategic areas for closer cooperation among developing countries, and the critical role pivotal countries can play in such cooperation. Representatives of the United Nations Conference on Trade and Development (UNCTAD), the Economic

Commission for Latin America and the Caribbean (ECLAC) and the Latin American Economic System (SELA) also participated as observers.

9. Another significant intervention in the area of gender has been the support provided to the Regional Prevention of Maternal Mortality (RPMM) network, which is headquartered in Ghana. The network serves both as a repository and a provider of knowledge and experience in preventing maternal mortality, based on an effective methodology for measuring and reducing maternal death. Through the application of the interdisciplinary team work of nurses, midwives, community physicians, social scientists and obstetricians, the network has successfully helped to reduce maternal death in 11 rural communities in Ghana, Nigeria and Sierra Leone. Efforts are being made to replicate the experience in Kenya, Uganda, and the United Republic of Tanzania, and eventually, in all francophone African countries.

10. In the area of poverty eradication, the Special Unit supported the launching of the Microfin Afric Network, headquartered in Senegal. The network was established to facilitate the sharing of experiences in micro-financing and micro-enterprises, especially those related to women, in African countries. It also helps to create micro-financing opportunities for micro-enterprises, and provides training on credit-qualification and management, with the poorest women and their families as the primary beneficiaries. The network has now become one of the main organizations entrusted with the preparation of the Conference on African Women and Economic Development, sponsored by the Economic Commission for Africa. Other successful interventions included the identification and dissemination of best practices on poverty reduction in Latin American countries, the organization of the workshop on municipalities and urban poverty in Latin American countries, and support to the health reform process to reduce the impact of poverty in the Caribbean.

11. In the area of production and employment, the Special Unit supported the Network of Networks and Technology Management Centre for the Organization of Eastern Caribbean States, with the aim of strengthening linkages among centres of excellence in the region. The network brings together a wide range of stakeholders, including universities, research and development communities, government agencies, the productive sector and NGOs, in order to develop innovative approaches to increasing productivity, diversifying employment opportunities, and improving international competitiveness in an increasingly globalized economy.

12. To foster intra- and interregional cooperation, the Special Unit supported the first meeting of Directors of International Cooperation of the countries in the Latin America and the Caribbean region to explore ways and opportunities for closer cooperation in such areas as environment, trade, investment and macroeconomic management. The Unit also supported the TCDC National Focal Points meeting for Asia and the Pacific, held in Singapore in January 1997, which focused on the expansion of TCDC among countries in the region. The meeting was attended by senior government officials from 30 countries of the region, and representatives from the Association of South-East Asian Nations (ASEAN), the South Asian Association for Regional Cooperation (SAARC), the South Pacific Forum (SPF), the Colombo Plan Secretariat, and the Latin American

Economic System (SELA), as well as representatives from a number of United Nations organizations.

13. In 1997, the Special Unit forged new partnerships with four leading institutions in the South, namely, the Third World Network of Scientific Organizations (TWNSO), the Third World Network (TWN), the Caribbean Centre for Development Administration (CCDA) and the Food and Agriculture Organization of the United Nations (FAO). The strategy was to consolidate best sustainable development practices in developing countries for possible replication. It is anticipated that, by 1999, at least 250 such best practices will be compiled and disseminated through the TCDC Information Referral System (TCDC/INRES). In addition, the Special Unit has introduced initiatives aimed at building the national capacity of TCDC focal points to use state-of-the-art information and communication technology tools for the effective promotion and application of TCDC and ECDC. The launching of a major initiative to establish content-based national TCDC web pages in developing countries in the Africa, Asia and the Pacific and Central America regions is an important feature of this initiative. It is anticipated that at least 40 such TCDC web sites will become operational in 1999.

14. As the substantive secretariat of the High-level Committee on the Review of TCDC, the Special Unit was involved in the substantive preparation, including provision of relevant documentation, for the tenth session of the High-level Committee, held in April 1997. One of the innovative features was the introduction, for the first time, of a country case study presentation segment during the session, which allowed developing countries delegates to share and exchange their experiences in TCDC.

## C. Key challenges

15. Notwithstanding the substantial progress made, concerted efforts will need to be made by all organizations and agencies of the United Nations system, including UNDP, to orient the operational activities for development increasingly towards South-South cooperation and to integrate the use of the TCDC modality in development cooperation activities. For this purpose, future efforts must be geared towards institutionalizing and mainstreaming the use of TCDC in all operational activities for development; mobilizing support for TCDC by further enhancing its global partnerships and broadening its funding base; strengthening national capacities to initiate and manage TCDC activities; and increasing awareness of the potential as well as cost-effectiveness of TCDC through the compilation and dissemination of best practices.

16. In its resolution 52/205 of 18 December 1997, the General Assembly "request[ed] the Secretary-General, in cooperation with the Special Unit for Technical Cooperation among Developing Countries and in consultation with Member States and relevant organizations and agencies of the United Nations system, to incorporate in his report for the triennial policy review of operational activities for development for consideration at the fifty-third session of the General Assembly, an assessment and recommendations aimed at further strengthening of the integration of the modalities of economic and technical cooperation among developing countries in the operational activities of the

United Nations system, with a view to enhancing global partnership in international development cooperation" (para. 11). Inputs for the Secretary-General's report are being prepared by SU/TCDC, which will also include a strategic vision for South-South cooperation and the role of TCDC and UNDP in such cooperation in the next millennium, in line with the "Report of the Ad Hoc Open-ended Working Group of the General Assembly on an Agenda for Development" (A/51/45), UNDP 2001, and the recommendations of the report "New Directions for TCDC".

17. As the system-wide coordinator on TCDC and in response to decision 10/2 of 9 May 1997 of the tenth session of the High-level Committee on the Review of TCDC, the Special Unit has prepared a draft of revised system-wide Guidelines for the Review of Policies and Procedures concerning Technical Cooperation among Developing Countries. The guidelines will be submitted through the Economic and Social Council to the General Assembly at its fifty-third session, in the context of the triennial policy review of operational activities for development of the United Nations. Once endorsed by the fifty-third session of the General Assembly, they will serve as a guide to ensure that future efforts in support of South-South cooperation and TCDC by all organizations and agencies of the United Nations system are conducted in a more systematic, coordinated and effective manner.

18. In its resolution 52/205, the General Assembly decided to hold a one-day commemorative meeting at the beginning of its fifty-third session to mark the occasion of the twentieth anniversary of the adoption of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries. The resolution requested the Special Unit, in its capacity as substantive secretariat of the High-level Committee on the Review of Technical Cooperation among Developing Countries and system-wide coordinator on technical cooperation among developing countries, to be responsible for the preparation and organization of the commemorative meeting, including the provision of adequate documentation, in consultation with Member States and relevant organizations and agencies of the United Nations system. The event will be used to address the main challenges to the South and the increasing relevance of South-South cooperation and TCDC in an increasingly interdependent and globalized world economy. The role of the United Nations in the promotion of such cooperation will also be examined in this context.

19. The Special Unit will endeavour to help developing countries take advantage of today's information and communication technology for the purpose of enhancing economic and technical cooperation among themselves. For this purpose, the TCDC Information Referral System (TCDC/INRES) will be re-engineered into an interactive and content-based gateway. Through this system, developing countries will be able to engage in instantaneous dialogue on priority issues and policies of common concern. Gainful exchanges on development-related knowledge, know-how, best practices and cooperation opportunities among developing countries would also become possible.

20. UNDP will continue to work closely with the Group of 77, China and other development partners, including NGOs and the private sector, with a view to further strengthening the role of the United Nations in development cooperation, including South-South cooperation. Through SU/TCDC, UNDP will provide support

to the Group of 77 and China's Ministerial Meeting on Regional Economic Integration, to be held in Bali, Indonesia, in August 1998. Support will also be provided to the Group's Tenth Meeting of the International Follow-up Coordination Committee on Economic Cooperation among Developing Countries later this year.

21. The acceleration in the pace of globalization calls for renewed international efforts and support for South-South cooperation. For this reason, the Secretary-General has included in his reform agenda a reorientation of the work of the organization increasingly towards South-South cooperation. This will require considering support for South-South cooperation and TCDC not as an option, but as an imperative in the context of the increasingly globalized world economy, so as to help the developing countries to help themselves to effectively ride the wave of globalization. The international community must also be able to appreciate fully the basic principles of South-South cooperation and TCDC, in which developing countries decide their own priorities, set their own agenda, choose their own partners and mode of cooperation, and manage the process on their own. UNDP believes that equitable and sustainable development in the South is in the interest of global peace and security. The challenge before UNDP is to ensure that it continues to lead in forging and strengthening a global partnership for the promotion of South-South cooperation in general, and of TCDC in particular, in a more systematic, coordinated and effective manner.

## II. UNITED NATIONS CAPITAL DEVELOPMENT FUND

### A. Introduction

22. In paragraphs 2 to 5 of its decision 97/8 of 14 March 1997, among other things, the Executive Board "endorse[d] the implementation of the new policy focus of the United Nations Capital Development Fund (UNCDF), which concentrates its activities on local governance, decentralization, participation and micro-financing; also endorse[d] the current reorganization efforts, with a view to creating a more decentralized and effective organization ...; encourage[d] the Fund and UNDP to intensify their collaboration in all relevant areas, including in the design and implementation of country cooperation frameworks ...; and request[ed] the Fund to improve the dissemination of successful project and programme experience in order to foster replication of these successes".

23. In 1997, UNCDF focused on quality and policy development by continuing to follow the strategies set out in its 1995 policy document (DP/1995/23) and to implement the recommendations of the 1996 Capacity Assessment Study as well as Executive Board decision 97/8. UNCDF donors had given UNCDF a three-year period in which to show the capacity to deliver on the promises of the policy paper. The halfway mark came at the end of 1997 and coincided with an in-depth thematic review of UNCDF products, including local development funds, eco-development, micro-financing and blueprint infrastructure projects. UNCDF further improved the dialogue between the programme countries and headquarters and decentralized programming and technical advisory staff. UNCDF emphasized the improvement of synergy with UNDP, particularly in country offices, through Memoranda of

Understanding and joint programming. In addition, the UNCDF Executive Secretary was appointed to head the Joint UNDP/UNCDF Special Unit on Microfinance.

24. In line with the recommendations of the Capacity Assessment Study as well as internal thematic reviews, UNCDF has begun a process by which it will merge local development fund and eco-type approaches into a single programme. The decision to merge local development fund and eco-strategies results from earlier Capacity Assessment Study recommendations, and from the mid-term review findings and recommendations that highlighted the need to promote strategies that are institutionally sustainable. UNCDF thus aims to combine some of the more innovative aspects of the eco-approach together with the institutional strategy of local development funds (anchoring activities with local state institutions) in its future programming. A staff task force will make recommendations on an action plan to achieve this. The task force will also advise management on follow-up issues and recommendations of the January 1998 Arusha, United Republic of Tanzania, local development fund workshop and UNCDF management retreat focusing on policy, project design, strategy, and implementation issues.

## B. Highlights of 1997 achievements

25. As proposed in the 1995 policy document, the Fund concentrated on increasing the amount of approvals in the sectors of local development funds, eco-development and microfinancing. The majority of funding in 1997 (59 per cent) went towards local development fund, eco-development and microfinancing projects.

26. With regard to the financial objectives set out in the UNCDF 1997 business plan, core contributions remained the same at $33 million, although 8 out of 10 donors increased their contributions in national currencies. A strong United States dollar offset by good investment of UNCDF resources kept the total resource base stable. Grant increases and new project approvals (15) increased by 15 per cent to over $63 million, but UNCDF was not as successful in reaching its target for delivery of ongoing projects, which dropped by 9 per cent to $38.2 million. This was due in part to time lags between the signing of project documents and disbursements, and the change in emphasis from blueprint infrastructure to local development fund and eco-projects, which have longer start-up phases and focus more on small-scale infrastructure. Administrative costs have continued to remain stable.

27. As stated in its 1995 policy paper, UNCDF intends to focus increasingly on Africa in its programming. In this respect, project approvals for Africa increased by almost 7 per cent to 64 per cent of all project approvals.

28. As indicated above, 1997 was a year of policy refinement and a number of policy activities were undertaken, leading to a clearer understanding of UNCDF core products and the need for the concepts of local development funds and eco-development to move closer together. Activities undertaken included: (a) refinement of the eco-development concept through a discussion paper, seminars in Glen Cove, the United States, in March 1997, and in Senegal, in June 1997, and an internal thematic review of several projects in December 1997; (b) validation of the local development fund concept and development, first, by

a workshop of eminent academics and practitioners, held in Uganda, in January 1997, and subsequently by an internal thematic review conducted by independent scholars in January 1998, which was the basis for a second workshop in the United Republic of Tanzania, also in January 1998 - in preparation for the latter workshop, several technical papers were prepared, as well as a synthesis issues paper for discussion; (c) integration of feedback from the above-mentioned papers and into UNCDF operations; (d) development of a paper on participatory approaches to guide staff and consultants; (e) a review of the UNCDF microfinance portfolio, jointly undertaken with the Consultative Group to Assist the Poorest and the World Bank; and (f) establishment of staff task forces for both the eco-development and local development fund projects, which acted as a forum for the exchange and sharing of information.

29. Fifteen evaluations, two internal thematic reviews on eco-development and local development fund projects, and preparations for the thematic reviews of microfinance and roads projects were also undertaken in 1997. The 1996 evaluation summaries were published in a document shared with donors and UNCDF partners. Evaluation findings and lessons were reviewed with all staff and results from these meetings were incorporated into new approaches for programming and project design. UNCDF reinforced the project monitoring and evaluation system by making Key and Diverse Resources and Expertise (KADRE)/ stakeholder workshops a standard part of the formulation process and by finalizing a kit on key performance indicators. UNCDF also continued to focus on the upcoming 1999 evaluation to be led by its donors. UNCDF was invited to join the committee set up by the donors and provided other members with the necessary information to determine the scope of the evaluation and draft terms of reference.

30. Dissemination of successful project and programme experiences. UNCDF is continuously updating its website with case studies and plans to establish an Internet site for the exchange of experiences in order to reach those within and beyond the organization. A communications strategy is being formulated to ensure better dissemination of ongoing project experience and will be incorporated into future project design. All workshops held in 1997 served primarily as forums for the exchange and dissemination of project and programme experience and involved non-United Nations partner organizations and institutions.

31. External relations and resource mobilization. UNCDF made a concerted effort to inform UNDP, donors, beneficiary Governments and other key partners of UNCDF policy and its main products, including eco-development, local development funds, microfinance and blueprint infrastructure. This was done via Friends of UNCDF meetings (donors); visits to participating countries and attendance at relevant meetings, including meetings with delegations of the Executive Board; an exchange of staff with the International Fund for Agricultural Development (IFAD); the Rome Decentralization Conference, for which UNCDF was one of the sponsors; and the Consultative Group to Assist the Poorest meetings in Manila, the Philippines, and Washington, D.C., United States of America, on microfinancing.

32. Development of a country concentration methodology. During 1997, with the assistance of a range of eminent scholars, a methodology was developed that was

used as a management tool in selecting 15 countries for greater concentration by UNCDF. The following countries were selected: Bangladesh, Benin, Bhutan, Burkina Faso, Cambodia, Ethiopia, Guinea, Haiti, Malawi, Mali, Mozambique, Nepal, Senegal, Uganda and the United Republic of Tanzania.

33. Increased synergy between UNCDF and UNDP. In follow-up to the Executive Board's encouragement for UNCDF to intensify collaboration with UNDP in all areas (decision 97/8), a Memorandum on Synergy between UNDP and UNCDF signed in May 1997 identified key steps taken in the last three years. In addition to the 1997 objectives, actions to increase synergy with UNDP included the following: (a) UNCDF successfully collaborated with UNDP in joint programming exercises including in Haiti and Malawi; (b) Memoranda of Understanding were signed with UNDP Resident Coordinators in the following concentration countries: Malawi (in 1996), and in Bangladesh, Benin, Burkina Faso and Senegal in 1997; (c) UNCDF increased its participation in UNDP meetings such as the Gender Committee, the Programme Management and Operations Committee, and the Operations Management Group meetings; (d) UNCDF held a meeting with the United Nations Development Fund for Women to discuss closer collaboration, which resulted in agreements to cooperate together in Haiti and Senegal; and (e) UNCDF recruited a specialist technical adviser in local institutions to a post based in Kampala, Uganda, covering not only Uganda, but Malawi, the United Republic of Tanzania, and Zambia. The technical adviser's brief is not only to provide backstopping to UNCDF projects in the region, but also to support more general UNDP activities in the field of local governance.

34. In 1997, the UNDP Administrator established the Joint UNDP/UNCDF Special Unit on Microfinance, bringing together the new MicroStart Programme with the UNCDF credit and microfinance portfolio. The UNCDF Executive Secretary was nominated to be the Director of the Unit, which aims to provide quality technical support and backstopping to country offices and UNCDF, to pool scarce financial and human resources, and to enhance UNDP and UNCDF effectiveness and ability to work with the donor community and the private sector.

35. UNCDF developed an active partnership with the World Bank in countries where local development fund projects may be used as pilots to be upscaled through World Bank International Development Association (IDA) loans (Uganda). The pilot projects are designed in close collaboration with the World Bank and will test policy and design strategies for the decentralization of capital budgets, and provide lessons to government partners and the World Bank. It is expected that the UNCDF $12 million project will precede an IDA loan of approximately $380 million. UNCDF also held a one-day staff exchange with IFAD, which included senior and technical staff from both agencies, and which led to proposed field partnerships in three countries (Bhutan, Haiti and Malawi). UNCDF also established trust fund agreements with the Government of Australia and UNDP in Viet Nam, and with the Government of the Netherlands and UNDP in Mozambique. UNCDF has been collaborating with the World Bank on a major research/advocacy programme on decentralization and rural development. Together with the Bank and other donors (the German Agency for Technical Cooperation, IFAD, FAO) UNCDF acted as co-sponsor and co-organizer of a major conference in Rome, Italy, to discuss these issues and share experience.

36. In decentralizing financial and programme functions, planned actions taken were: (a) a paper on decentralization of programme functions from headquarters was agreed upon; (b) two programme managers were outposted to East and West Africa and one technical adviser was outposted to East Africa; (c) Memoranda of Understanding were drawn up between UNDP and UNCDF on focus countries; (d) UNCDF chose the Lao People's Democratic Republic as a test case, prepared a paper on decentralizing programme functions to the country office and signed a Memorandum of Understanding; and (e) the job descriptions of programme officers in programme countries were revised.

37. Improving quality of service and programming by developing a Staff Competence Programme. In an ongoing quest to improve its operations, and in line with the recommendations of the capacity assessment, UNCDF focused on strengthening its in-house capacities through: (a) the holding of two field-based programme officer workshops (in the Lao People's Democratic Republic, in May 1997, and in Zambia, in November 1997); (b) the participation of French-speaking, field-based programme officers in an eco-workshop in Senegal in June 1997; (c) the participation of staff in stakeholder workshops in Burkina Faso and Senegal; (d) the holding of a workshop on local development funds in Uganda to provide a learning opportunity for staff members by bringing together academics and practitioners in this field; (e) the holding of four "weeks in residence", which provided an opportunity for headquarters and field staff to gain knowledge on a variety of topics and state-of-the-art thinking; (f) the establishment of an agreement with the Asian Institute of Technology (Bangkok, Thailand), whereby the Institute will provide regular technical support for UNCDF programme development and implementation in Asia and will also facilitate the dissemination of lessons learned on policy issues to a wider audience in the region; (g) the preparation of a competency development questionnaire which was filled out by UNCDF staff; and (h) the recruitment of a monitoring and evaluation specialist and regional technical adviser on local development funds.

## C. Key challenges

38. In 1998, UNCDF will continue to pursue its policy development exercise by merging the local development fund and eco-development approaches into a single programme in support of decentralized local governance. UNCDF will also aim at achieving the following objectives:

(a) The establishment of a single programme combining local development fund and eco-development approaches. As recommended in the Capacity Assessment Study and by internal thematic reviews, UNCDF will continue to move towards ultimately merging its local development fund and eco-development approaches into a single programme. UNCDF has established a task force to work on the local development fund/eco-development merger, which will advise UNCDF management on the further development of local development fund programming policy and on project design strategy and implementation procedures. Among its many actions, the task force will prepare a policy paper, which will then be debated by all staff and finalized by July 1998;

(b) The refinement of the concept for UNCDF microfinance projects. UNCDF will be reviewing the microfinance sector through two strategies: the first

being an internal review of their own projects and the second being through the joint UNDP/UNCDF Special Unit on Microfinance. In 1998, UNCDF, in close collaboration with the Consultative Group to Assist the Poorest, will finalize the internal review of microfinance projects and incorporate lessons and recommendations into an improved microfinance concept. The list of general key performance indicators for microfinance projects will be finalized through collaborative work with UNDP MicroStart projects, and UNCDF will continue to harmonize various tools such as monitoring and impact assessment with UNDP under the UNDP/UNCDF Special Unit on Microfinance;

(c) The establishment and mainstreaming of a UNCDF gender policy into programming. In 1998, UNCDF will address gender issues by ensuring gender analysis in project documents and holding a one-day training on gender for staff. Staff performance will also be evaluated, according to their ability to achieve gender goals set out in the UNCDF policy.

39. The UNCDF policy of focusing its programming in fewer countries has been further institutionalized. As discussed in paragraph 40 below, UNCDF will continue to sign outstanding Memoranda of Understanding. UNCDF will also review its list of concentration countries on a regular basis to reflect the changing political environment in existing and potential concentration countries.

40. UNCDF will promote synergy with UNDP through increased collaboration. UNCDF will work with UNDP by establishing a compact with the UNDP Administrator outlining an agreement on a series of targets. This compact will be reviewed on a regular basis to ensure implementation by both parties. UNCDF will focus on establishing Memoranda of Understanding with all of the resident coordinators in the concentration countries; currently 10 are outstanding. UNCDF will also encourage an even greater participation of UNDP in its programming missions and throughout the project cycle. During 1998, UNCDF will evaluate the experience it has undertaken in the Lao People's Democratic Republic with the UNDP office, which is responsible for all approved programming. Coinciding with the end of the first year of the outposting exercise, UNCDF management will meet with UNDP resident representatives to review the performance of the staff in East and West Africa and to discuss their work plan for 1998.

41. Staff development and improving the quality of projects are key priorities for UNCDF. In 1998 the monitoring and evaluation specialist will be fully operational; UNCDF will recruit the institutional technical adviser; staff training will be incorporated into all UNCDF events and UNCDF will make a concerted effort to develop and maintain partnerships with other organizations. Within this framework, the following objectives will be achieved:

(a) UNCDF monitoring and evaluation capabilities will be further strengthened. With the recruitment of a monitoring and evaluation specialist, UNCDF intends to strengthen the monitoring and evaluation portions of ongoing and pipeline projects. The key performance indicator kit will be revised and updated and UNCDF will establish an Evaluation Review Committee. The role of the Committee will be to review the status of evaluations to ensure their timeliness and the preparation of action plans and their implementation, as well as suggest ways and means to integrate findings into operations;

(b) The UNCDF competency development plan will be implemented in 1998. UNCDF has prepared a competency development and staff training plan for 1998, with provisions for (i) greater use of "weeks in residence" as training opportunities around focused themes, with greater use of external resource persons; (ii) short courses in project logical frameworks, management, and monitoring and evaluation for headquarters staff and programme officers; and (iii) some scope for individual staff applications for specific training opportunities;

(c) UNCDF will forge new partnerships and build on prior alliances. UNCDF will work towards implementing the recommendation agreed to in 1997 to further develop alliances with IFAD and the World Bank as well as to determine a series of new partners for strategic involvement, including multilateral, bilateral and academic institutions and NGOs at both international and national levels. Regional technical networks will be established in West and East Africa to provide technical advice and backstopping to UNCDF projects and programmes;

(d) The UNDP gender policy will be implemented;

(e) National execution guidelines will be operationalized.

42. In the area of information management, a database encompassing programme and evaluation data will be operationalized. In 1996, the capacity assessment team had reviewed the status of its database and found it to be unresponsive to the needs of the organization. In 1998, UNCDF will establish a new database that can be accessed through the Internet and will therefore be accessible from the field (for those lacking access to Internet, compact disks will be forwarded with the database) and will link up with financial information as well. The UNCDF corporate Intranet and external web site have been established and enhanced. A corporate Intranet is being developed. It has been designed to facilitate both internal communication and access to important information both at headquarters and in the field. The Intranet will also provide a direct connection to the UNCDF database. UNCDF will continue to prepare for the 1999 overall evaluation by supporting the donor evaluation committee (apart from being a member of that committee) and preparing for the desk review and the field study scheduled to take place in 1998/1999.

## III. UNITED NATIONS DEVELOPMENT FUND FOR WOMEN

### A. Introduction

43. During 1997, the United Nations Development Fund for Women (UNIFEM) concentrated on the implementation of its Strategy and Business Plan, which delineates areas of focus and operations for the period 1997-1999. The Executive Director of UNIFEM presented an outline of the business plan to the Executive Board at its first regular session 1997, and the UNIFEM strategy and business plan as contained in document DP/1997/18 was endorsed by the Executive Board at its annual session 1997 (decision 97/18).

44. UNIFEM programme strategies, design and implementation are guided by an empowerment framework that is built on women's rights, opportunities and

capacities. UNIFEM focuses on three areas: strengthening women's economic capacity as entrepreneurs and producers; engendering governance and leadership that will increase women's participation in the decision-making processes that shape their lives; and promoting women's human rights so as to eliminate all forms of violence against women.

## B. Highlights of 1997 achievements

45. Some highlights of UNIFEM programmatic work in 1997 included:

(a) Developing women's business management skills, productive capacity and marketing ability to ensure that small-scale women-run business enterprises can gain direct access and compete successfully in newly emerging global markets;

(b) Analysing the impact of trade treaties such as the Southern Cone Common Market, the North American Free Trade Agreement, and Lome 2000 on women;

(c) Promoting women's participation in the national electoral processes so that women can hold decision-making positions and influence national policies and legislation to be gender-sensitive;

(d) Promoting women's participation in peace processes, with a focus on preventive diplomacy, mediation, and conflict resolution;

(e) Building women's capacity to use the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) as a tool to monitor Governments' actions and to work with the CEDAW Committee;

(f) Supporting innovative and catalytic initiatives in awareness-raising and advocacy, capacity-building, legal literacy training, and prevention and deterrence of violence through the Trust Fund in Support of Actions to Eliminate All Forms of Violence against Women.

46. The strategy and business plan commits UNIFEM to strengthening systems that allow the organization to learn from its own innovative, catalytic efforts. On an ongoing basis, UNIFEM is developing new systems and approaches to examine the ways in which pilot and demonstration projects lead to replication, and how policy and institution-strengthening activities highlight women's issues in national and international contexts. UNIFEM has undertaken strategic thematic reviews so that lessons learned can be applied to its work - across regions and across thematic areas - as new initiatives are piloted in emerging areas of importance to women.

## C. Key challenges

47. To create greater efficiency and effectiveness in implementing the organization's goals, the business plan aims to set up a Management Information System (MIS). MIS will allow for more focused programming, better tracking of programme impact, and overall financial monitoring. Work on developing MIS began in 1997 and the system will become operational in 1998.

48. The Secretary-General, in his report on the implementation of the Beijing Platform for Action to the General Assembly at its fiftieth session (A/50/744), recommended that the capacity of UNIFEM should be enhanced to: provide effective operational support for follow-up action at the national level; exercise a catalytic role in promoting effective inter-agency coordination at the country level, through the resident coordinator system; and bring country-level experience to bear on relevant aspects of the work of the system at the global level. These recommendations have taken on increased significance in 1997, particularly within the context of United Nations reform and the interest in coordinated follow-up to United Nations international conferences.

49. UNIFEM is proceeding with its pilot project to place gender advisers to the resident coordinator system in 10 countries, and has begun recruitment for placement in two African countries. Backstopped by the UNIFEM regional programme adviser, gender advisers will work closely with the resident coordinator to ensure that the United Nations country team has access to gender expertise and training to develop innovative programmes that incorporate gender mainstreaming principles. UNIFEM has also worked closely with UNDP and the United Nations Volunteers (UNV) programme and will place 20 gender specialists in programme countries. In 1997, agreements were reached with resident coordinators in 16 countries to host UNVs, and nine candidates have been identified and will assume their field posts in the first quarter of 1998. UNIFEM is also continuing its partnership with the United Nations Population Fund (UNFPA). We are providing technical backstopping in gender, population and development to eight UNFPA country support teams, with a total of 10 adviser posts.

50. Through participation in the United Nations Development Group, UNIFEM ensured that as the concept of the United Nations Development Assistance Framework (UNDAF) was developed, attention was paid to incorporating gender issues in indicators, common databases, and common country assessments. Two of the UNIFEM regional programme advisers, assigned to be part of the UNDAF Global Support System, served as facilitators for the preparation of UNDAF in Romania and Viet Nam. In several countries, UNIFEM regional programme advisers have taken the lead in convening inter-agency task forces on gender to support the resident coordinator system.

51. WomenWatch, a collaborative project between UNIFEM, the Division for the Advancement of Women, and the United Nations International Research and Training Institute for the Advancement of Women, has continued to grow. A gateway to United Nations information on women worldwide, this electronic site provides a wide range of information about the ways in which United Nations agencies are implementing the Beijing agenda.

52. In accordance with Executive Board decision 97/4 of 17 January 1997, the methodology for determining project approval and operational reserve levels for the Fund under the partial funding modality was implemented in 1997. As at 31 December 1997, the level of the operational reserve was $3.5 million. The partial funding methodology applied during 1997 resulted in UNIFEM being able to re-start its activities under a more normal programme frame.

53. Also in 1997, in its decision 97/24, the Executive Board approved the UNIFEM biennial budget to cover its administrative and programme support staff costs for the period 1998-1999. The budget was prepared in accordance with the unified format agreed for use by UNFPA, UNICEF and UNDP. It has allowed UNIFEM to regularize its staffing situation.

54. In order to strengthen its work as a centre of excellence, as well as its work within the United Nations system, UNIFEM resources must increase significantly over the next three years. The Strategy and Business Plan set ambitious targets. One of its targets - to increase the total level of support for 1997 to $19,260,000 - was exceeded by $0.5 million. In fact, the resource base of UNIFEM has increased by almost 50 per cent from 1994 to 1997. Contributions to UNIFEM totalled $14 million in 1994. By 1997, contributions had risen to $19.7 million.

55. The Strategy and Business Plan also committed UNIFEM to work to achieve greater diversification by securing increased income from multilateral and private sources. UNIFEM has set in motion a concentrated strategy to increase its existing resource base, and to establish new networks of support to mobilize resources on behalf of the Fund.

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